

PUBLIC NOTICE FOR THE STATE OF COLORADO

AN AMENDMENT TO THE 2008-2009 CONSOLIDATED ANNUAL ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Notice is hereby given that the State of Colorado, Department of Local Affairs, is eligible to receive \$2,861,220 in Community Development Block Grant Recovery Act funds (CDBG-R) under the American Recovery and Reinvestment Act of 2009. To receive the funds the State must submit, to the U.S. Department of Housing and Urban Development (HUD), a Substantial Amendment to the 2008-2009 Community Development Block Grant Annual Action Plan describing the use and distribution of CDBG-R funds by June 29th, 2009.

The purpose of the Notice is to give interested parties an opportunity to voice their opinion on the draft Substantial Amendment. The Substantial Amendment may be viewed at:

<http://www.dola.state.co.us/arra/arra.html>

A hard copy of the Substantial Amendment may also be obtained at the following Department of Local Affairs regional offices. If special accommodations are needed, please notify the contact person listed at the specific location.

South Central Office
540 Washington Street
Monte Vista, CO 81144
Contact-Deb Downs 719-852-9429

Northwestern Office
222 South 6th Street, Room 409
Grand Junction, CO 81501
Contact-Jack Kirtland 970-248-7310

North Central Office
150 E. 29th Street, Suite 215
Loveland, CO 80538
Contact-Don Sandoval 970-679-4501

Southeastern Office
132 West B Street, Suite 260
Pueblo, CO 81003
Contact-Lee Merkel 719-544-6577

Southwestern Office
Ft. Lewis College, 1000 Rim Drive

Durango, CO 81302
Contact-Ken Charles 970-247-7311

Denver Office
Colorado Department of Local Affairs
1313 Sherman Street, Room 521
Denver, CO 80203
Contact-Becky Murray 303-866-2818

All persons desiring to voice their opinion may do so by submitting written or email comments by 5:00 p.m. June 22nd, 2009 to:

Becky Murray
Colorado Department of Local Affairs
1313 Sherman Street, Room 521
Denver, CO 80203
becky.murray@state.co.us

**STATE OF COLORADO
2008-2009
ANNUAL ACTION PLAN
COMMUNITY DEVELOPMENT BLOCK GRANT RECOVERY ACT
(CDBG-R)
SUBSTANTIAL PROGRAM AMENDMENT**

Introduction

The State has been notified that they are eligible to receive \$2,861,220 in Community Development Block Grant Recovery Act funds (CDBG-R) under the American Recovery and Reinvestment Act of 2009. To receive the funds the State must submit, to the U.S. Department of Housing and Urban Development (HUD), a Substantial Amendment to the 2008-2009 Annual Action Plan describing the use and distribution of CDBG-R funds. The HUD Region VIII office is the agency responsible for the review and approval of the Substantial Amendment and has imposed a June 29th, 2009 deadline for submitting the Substantial Amendment.

The Colorado Department of Local Affairs (DOLA) is the designated agency developing and submitting the Substantial Amendment which describes the proposed activities to be undertaken with CDBG-R funds and identifies the responsible organizations for each project.

DOLA's plan for the distribution of funds is to retain one percent 1% (\$28,612) of the award for administration of the program and to use the remaining 99% (\$2,832,608) to fund public facility infrastructure projects in non-entitlement communities. DOLA's intent is to supplant CDBG-R funds with regular CDBG funds and to follow the award process already in place. CDBG applications already in the application pipeline, which most closely met the Recovery Act purpose and were "shovel-ready", were reviewed and prioritized, using Recovery Act evaluation criteria.

Because CDBG applications already in the pipeline did not contain the required job creation estimates it was decided that the most expedient and consistent way to get this information was to contact the State Demography Office for assistance. Using information from the Regional Input-Output Modeling System (RIMSII) produced by the Bureau of Economic Analysis (BEA) the State Demographer was able to estimate the number of direct jobs created based on the project type, location and cost. The job creation numbers were then added to each application and were included in the evaluation. Additional evaluation criteria included prioritizing projects which:

- assisted those most impacted by the recession;
- preserved or created jobs;
- provided investment needed to increase economic efficiency;
- invested in infrastructure that provided long-term economic benefit;
- fostered energy independence; and
- minimized or avoided reductions in essential services.

Upon the completion of the evaluation, staff provided a funding recommendation to the DOLA Executive Director who made the final determination of award.

Currently the State is in the process of developing a contract template which includes the statutory requirements of the Recovery Act and DOLA is evaluating their reporting process to ensure that in addition to project performance reporting, that HUD mandated reporting time frames are met and that job creation results are reported in a consistent and accurate manner.

DOLA will follow their existing monitoring plan and monitor all CDBG-R contracts throughout the term of the project to ensure program goals are achieved and the project avoids unnecessary delays. The primary methods of monitoring include an evaluation of quarterly progress and financial reports, periodic site visits, on-going day-to day email and telephone communication, and formal project close-out using existing CDBG monitoring tools.

1. Activity Name: 08-024 Bent County Medical Facility Expansion

Activity Narrative: The Las Animas Medical Clinic is located in the City of Las Animas and is the primary care clinic for the community of Bent County. In October of 2008 the Bent County Medical Clinic which served approximately 1,230 patients closed. This increased the demand on the Las Animas Medical Clinic. The project proposes an expansion of the existing clinic to accommodate the greater demand for access to health care.

The Project Addresses the Recovery Act by:

- A. Low and moderate income persons are considered the most impacted by the recession. The median household income for Las Animas is \$26,157 and Bent County is \$32,043. A significant number (25%) of the Las Animas population lives below the poverty level. Through this project, 2,371 of which 1,589 (67%) are low and moderate income persons will receive benefit from this project.
- B. Bent County is a small rural community with an unemployment rate of 6.4%. It is estimated that six (6) temporary construction jobs will be created to carry out this project during a time when the construction industry has been dealt a severe blow by the housing and credit crisis. Local suppliers and construction support trades such as architectural and engineering firms will also be employed to carry out the project and will also realize economic recovery.
- C. Investment of CDBG-R funds in this activity minimizes the reduction in essential health services this low-income community has had to undergo.

Budget: The total activity budget is \$678,000. CDBG-Recovery Act funds requested for this activity is \$415,000.

Jobs Created: An estimated six (6) temporary construction jobs will be created.

Responsible Organization: Bent County
Commissioner Bill Long
P.O. Box 350
Las Animas, CO 81054
719-456-2223
bentcountyadmin@bentcounty.net

2. **Activity Name: 09-003 Town of Boone-Sewage System Improvements**

Activity Narrative: A comprehensive review of the town's sanitary sewage system revealed several design criteria deficiencies and seepage of inadequately treated wastewater to percolate into the underlying Arkansas River alluvial aquifer. This aquifer is the water supply to many communities downstream of Boone. The inadequate treatment achieved by the wastewater treatment facility prior to its discharge to ground water poses a significant environmental concern to ground water. The Colorado Department of Public Health has subsequently issued a letter indicating that the town's wastewater treatment facility does not qualify for a renewal of its permit for a discharge to ground water because the lagoons are questionable if they meet the state's seepage criteria. The most-cost effective alternative is to modify the existing lagoon system.

The Project Addresses the Recovery Act by:

- A. Low and moderate income persons are considered the most impacted by the recession. The median household income for the Town of Boone is \$26,250. The town's population is 323 and 16% of the population lives below the poverty level. Through this project 323 persons, of which 223 (71%) are low or moderate income persons will receive benefit from this project.
- B. Pueblo County is a small rural community with an unemployment rate of 6.2%. The project will help to promote economic recovery through the estimated creation of fourteen (14) temporary construction jobs during a time when the construction industry has been dealt a severe blow by the housing and credit crisis. Local suppliers and construction support trades such as architectural and engineering firms will also be employed to carry out the project and will also realize economic recovery.
- C. Investing CDBG-R funds into this infrastructure project is believed to have a long-term economic impact on the community because it will eliminate ground water contamination and a public health threat which could have a devastating economic impact on the Town.
- D. Investment of CDBG-R funds in this activity will increase economic efficiencies by reducing or eliminating the need for constant and costly repair the county must do and by eliminating the need for a special assessment fee to be imposed on low and moderate income homeowners to pay for the activity which can have a significant negative impact on low and moderate income households.

Budget: The total activity budget is \$1,620,000. CDBG-Recovery Act funds requested for this activity is \$1,295,000.

Jobs Created: An estimated fourteen (14) temporary construction jobs will be created.

Additional Activity Information: The project addresses a public health community need and eliminates the potential for ground water contamination.

Responsible Organization: Town of Boone
Mayor Billy Baker
P.O. Box 13
Boone, CO 81025
719-947-3311
townofboone@yahoo.com

3. Activity Name: Town of Red Cliff-Wastewater Treatment Facility Replacement

Activity Narrative: The Town of Red Cliff's existing wastewater treatment plant is not in compliance and operates under an Environmental Protection Agency (EPA) Cease & Desist Order. The project consists of replacing the plant with a new state of the art technology wastewater plant.

The Project Addresses the Recovery Act by:

- A. Low and moderate income persons are considered the most impacted by the recession. The population of Red Cliff is 314. 55% of the population is made up of low or moderate income households. Just shy of 10% of the town live below the poverty level. Through this project 314, of which 173 (55%) are low or moderate income persons will benefit from this project.
- B. Red Cliff is a small former mining community in Eagle County. The county's unemployment rate is 3.6%. The project will help to promote economic recovery through the estimated creation of twenty-six (26) temporary construction jobs during a time when the construction industry has been dealt a severe blow by the housing and credit crisis. Local suppliers and construction support trades such as architectural and engineering firms will also be employed to carry out the project and will also realize economic recovery.
- E. Investing CDBG-R funds into this infrastructure project is believed to have a long-term economic impact on the community because it will eliminate ground water contamination and a public health threat which could have a devastating economic impact on the Town.
- C. Investment of CDBG-R funds in this activity will increase economic efficiencies by reducing or eliminating the need for constant repair the town must do and by reducing or eliminating the need for a special assessment fee to be imposed on homeowners to pay for the activity which can have a significant negative impact on low and moderate income households.

Budget: Total activity budget is \$3,136,228. CDBG-Recovery Act funds requested for this activity is \$1,336,228.

Jobs Created: An estimated twenty-six (26) temporary construction jobs will be created.

Additional Activity Information: This project will eliminate environmental contamination occurring.

Responsible Organization: Town of Red Cliff
Mayor Ramon Montoya
P.O. Box 40
Red Cliff, CO 81649
970-827-5303
trcbot@aol.com

Jurisdiction/Grantee Name: State of Colorado			CDBG-R Formula Grant Amount: 2,861,220				Date: 6/5/2009	
Activity Name	Grantee Contact Information (contact name,address,phone, email)	Activity Description	Eligibility (Regulatory or HCDA Citation)	National Objective Citation	CDBG-R Project Budget (\$)	Additional Recovery Funds (\$)	Other Leveraged Funding (\$)	Total Activity Budget
Bent County-Public Facilities Infrastructure	Commissioner Bill Long, PO Box 350, Las Animas, CO 81054, 719-456-2223, bentcountyadmin@bentcounty.net	Building expansion of a medical clinic.	HCDA, Section 105(a)(2)	24 CFR 570.483(b)(2)(i)	\$415,000		\$263,000	678,000
Town of Boone-Public Facilities Infrastructure	Mayor Billy Baker, PO Box 13, Boone, CO 81025, 719-947-3311, townofboone@yahoo.com	Wastewater facility improvements.	HCDA, Section 105(a)(2)	24 CFR 570.483(b)(1)(i)	\$1,295,000		\$325,000	1,620,000
Town of Red Cliff-Public Facilities infrastructure	Mayor Ramon Montoya, PO Box 40, Red Cliff, CO 81649, 970-827-5303, trcbot@aol.com	Wastewater treatment plant replacement.	HCDA, Section 105(a)(2)	24 CFR 570.483(b)(1)(i)	\$1,336,228	\$2,000,000	\$0	3,136,228